

Open Discussion on INTOSAI Issues

XXIII International Congress of Supreme Audit Institutions (INCOSAI), Moscow

September 24, 2019 meeting

Format

[Aleksei Kudrin's welcome speech](#)

Summary

[Topic 1. How can we make INTOSAI more effective, visible and influential in shaping the agenda for 2020 and beyond?](#)

[Topic 2. Digital challenges and Opportunities: how to integrate breakthrough technologies into everyday work of SAIs?](#)

[Topic 3. How should SAIs transform their everyday work to increase their relevance in a changing world?](#)

[Topic 4. What is a SAI's role in maintaining and building public trust?](#)

Full video of the session is available [here](#)

Format

At the opening of the XXIII INTOSAI Congress in September 2019, open discussions were held on topical INTOSAI issues. Four topics were chosen for discussion in small groups, giving to every participant interested in the upcoming Congress an opportunity to make his contribution. More than 200 people from 50 countries took part in open discussions that were moderated by experts and the most authoritative members of the INTOSAI community.

The work was organized in the following way.

- First stage: introduction to the topic within a small group (up to 10 people) led by a moderator.

- Second stage: a brainstorm. Each participant, including the moderator, named the main—in his or her opinion—problems and possible solutions.
- The moderator recorded the participants' opinions (key issues) on a flip chart, 1 opinion per 1 participant.
- Third stage: ranking. Ranking problems by relevance and urgency. Each participant was given the opportunity to select three key problems, marking them in the list drawn up at the previous stage.
- Fourth stage: summing up in small groups.

Topics for discussion:

How can we make INTOSAI more effective, visible and influential in shaping the agenda for 2020 and beyond?

Digital challenges and Opportunities: how to integrate breakthrough technologies into everyday work of SAIs?

How should SAIs transform their everyday work to increase their relevance in a changing world?

What is a SAI's role in maintaining and building public trust?

Moderators worked on each topic, summarizing the results of the topic, and presented the summary to audience.

We invite you to consider the summarized results of the discussion in a brief overview.

Aleksei Kudrin's welcome speech

Aleksei Kudrin, Chairman of the Accounts Chamber of the Russian Federation, gave a welcoming speech. He wished productive work to the participants of open discussions and set the direction for further work.



Aleksei Kudrin, Chairman of the Accounts Chamber of the Russian Federation

Welcoming speech of Aleksei Kudrin, Chairman of the Accounts Chamber of the Russian Federation:

Dear colleagues and friends, I welcome you to open discussions on INTOSAI issues!

This is the first event in a series of the Congress activities. Tomorrow, the INTOSAI engine will start working at its full capacity. The program of the XXIII INTOSAI Congress is rich and interesting. We will be able to discuss many challenging and core issues of our cooperation. We will listen to and deliver relevant speeches and reports, make key decisions, discuss and adopt important documents.

The issues under the INTOSAI agenda will be considered and discussed in a broad format, but unfortunately, it is impossible to provide an opportunity for every participant to speak and to be heard during our plenary sessions. We wish we could. That is why, we are giving them such an opportunity today, during open discussions, justifying the INTOSAI motto: Exchange of experience for common benefit. Each of us is a unique expert with rich practical experience of great value to the entire INTOSAI community. The Forum gives us the opportunity to share this knowledge.

From my side, I would like to underline that, from the moment I took the position of the Chairman of the Accounts Chamber, we have provided such an opportunity to all our employees. Over the past year, we have organized three strategic sessions inside the Accounts Chamber in the same way and format we are organizing our open discussions today. I should note that we have achieved amazing results. We have developed a new activity plan, a new strategy for the development of our SAI. We tried to take into account all the important points and opinions of everyone, and I think we have succeeded. I hope that the results of today's discussion day will contribute to the further development of INTOSAI and will help us to develop a roadmap for it. We have selected the topics that our audit community is most concerned about today. I hope that this discussion can give us an opportunity to really change the activities of SAIs and the INTOSAI community for the better.

I wish you fruitful discussions and brave solutions!

Aleksei Kudrin's welcome speech video
[timing of the speech 0:00 - 3:22](#)

Summary



Timur Makhmutov, Director of the Department for External Relations of the Accounts Chamber of the Russian Federation

The results of the discussion are summarized in a short abstract. Below you will find a brief overview of the most representative items on the discussion agenda.

When discussing the issue of increasing the INTOSAI efficiency, the participants concluded that supreme audit institutions should protect and strengthen their independence, increase the relevance of INTOSAI beyond the competence of the member bodies, improve the communication system, be result-oriented, and engage stakeholders into cooperation.

Responding to digital challenges faced by the audit community, our participants focused on such aspects as improving the personnel skills, creating and funding an infrastructure and tools for digital technology as well as higher data quality. However, the participants brought into the spotlight the fact that audit experience cannot be replaced by a machine or IT specialists; there is a need to find balance here.

Answering questions about improving routine operations in SAIs, the participants focused on issues of financial independence, openness, and transparency of their agencies, attitude towards employees, the need to keep up with the times and to get involved in the digital transformation process, as well as to promote personal growth.

The result of discussing the issues of building people's trust in SAIs and state authorities was that, surely, we should develop trust in the entire governmental system; at the same time, each individual authority must earn public trust on its own. We need to increasingly "open the doors" of our SAIs to people, publish reports based on carefully selected evidence, use different communication instruments (with media, parliament, etc.), and show not only problems, but also ways to solve them and the outcomes of our work.

How can we make INTOSAI more effective, visible and influential in shaping the agenda for 2020 and beyond?

Working group results

Moderators: Monika Gonzalez-Garcia-Koss, Johanna Gardmark, Khalid Hamid, Einar Gørrissen

Speaker: Khalid Hamid, International Director CIPFA, Great Britain (till February 2020 Director of the Department for International Relations of the State Audit Office of the United Arab Emirates)

To solve this problem, we need to make INTOSAI more open to stakeholders, more efficient, and less theoretical. We need strong public support for SAI independence. We must talk about issues of concern to the whole world, not just about us. We must turn our faces to society, rather than close ourselves off from others. Government bodies tend to be easily politicized. We must defend our independence.



Khalid Hamid, International Director CIPFA, Great Britain (till February 2020 Director of the Department for International Relations of the State Audit Office of the United Arab Emirates)

We need to think about constantly keeping our organization relevant by revising its structure. We need to figure out how to reorganize INTOSAI so that it becomes more important and relevant.

How can we make INTOSAI more effective, visible and influential in shaping the agenda for 2020 and beyond?

Topic 1

Key issues

Protection of SAI's independence

Maintaining and enhancing INTOSAI's relevance

Strengthening INTOSAI's internal and external communication

Key solutions

Stronger support for independent SAIs through an effective and clear global public voice beyond INTOSAI.

Ensure INTOSAI's continued relevance through rethinking of the structure assessed against outcome-based criteria.

Stakeholder-based communication through adjusting communication to the needs of different stakeholders

Moderators

Monika Gonzalez-Garcia-Koss, Johanna Gardmark, Khalid Hamid, Einar Gørissen



We must adapt our communications to the needs of the public. We shall think about the new position of our organization on the world stage. During the discussions in the group, one of the participants voiced the idea of giving INTOSAI the status of a UN body.

Khalid Hamid presentation video
[timing of the report 1:40:37 – 1:45:32](#)

Digital challenges and opportunities: how to integrate breakthrough technologies into everyday work of SAIs?

Working group results

Moderators: Archana P. Shirsat, Jacek Jezierski, Paola Romero Gorrostieta, Paula Hebling Dutra

Speaker: Jacek Jezierski, Advisor to the Chairman of the Supreme Audit Office of the Republic of Poland

We have different IT equipment. In some organizations, there is a shortage of regular computers, whereas in others, the IT equipment is highly advanced. In this regard, the main task in this area to bridge this gap. Creating and supporting a peer-to-peer network at the regional level, developing in-house IT solutions can be a solution.



Jacek Jezierski, Advisor to the Chairman of the Supreme Audit Office of the Republic of Poland

The second issue addressed by the group as part of this topic: will artificial intelligence or IT experts be able to replace experienced auditors in the future? The unequivocal answer is no! However, we need to train auditors to work with IT tools. For many experienced auditors, mastering even standard equipment is not an easy task. Therefore, we need to work on digital education, explaining how digital tools can help make your work easier, faster, and more convenient. We shall also look for experts who are good at using digital tools inside SAIs, rather than hire third parties.

Digital challenges and Opportunities: how to integrate breakthrough technologies into everyday work of SAIs?

Topic 2

Key issues

CAPACITY CHALLENGE

- institutional framework
- staff skills
- funding to provide infrastructure and IT tools

CHANGING BEHAVIOR – DEMYSTIFY IT

IT and artificial intellect will not replace auditors, they are just tools to improve audit, both the process and the results

DATA QUALITY

Key solutions

- Provide training
- Peer-to-peer support on regional level
- Use of in-house solutions

- Explain benefits of using IT
- Start with using simplest tools
- Find staff who know how to use IT tools within organization
- Provide auditors with knowledge on IT tools rather than employ more IT experts

- Set common requirements to data quality
- Team work of experienced auditors and IT experts when IT experts help in assessment of data quality

Moderators

Archana P. Shirsat, Jacek Jezierski, Paola Romero Gorrostieta, Paula Hebling Dutra



Enhancing the data quality is another major challenge in digitalization. The solution to this problem is adopting general requirements for assessing the data quality, as well as joint work of experienced auditors and IT experts to improve the quality of the resulting data.

Jacek Jezierski presentation video
[timing of the report 1:46:07 – 1:52:37](#)

How should SAI's transform their everyday work to increase their relevance in a changing world?

Working group results

Moderators: Felix Ortega de la Torre, Vitor Caldeira, Osvaldo Rudloff Pulgar, Åse Kristin Hemsén

Speaker: Vitor Caldeira President of the Court of Audit of Portugal (till October 2020)

In order to understand how SAIs should change their activities, the moderator suggested focusing on three points:

- independence;
- communications;
- “keeping up.”



Vitor Caldeira, President of the Court of Audit of Portugal (till October 2020)

Independence. To be independent, we need to be relevant. If we talk about independence, first of all, we must realize that we need changes. It means that

SAI management should spearhead changes involving middle management, not forgetting that we do not work for ourselves, but for the public. We must set goals tailored to changing needs, while adhering to standards and meeting the target indicators; listen to the interested party; be open to society; strike a balance between objectivity, independence, and fairness; prepare relevant reports that must be timely, useful, and qualitative.

To remain relevant while maintaining independence, we need:

- realize that there is a need for change;
- strike a balance between objectivity, independence, and fairness;
- listen to the interested party and be open to society.

How should SAIs transform their everyday work to increase their relevance in a changing world?

Topic 3

Key issues

Key solutions

INDEPENDENCE	<ul style="list-style-type: none"> - Financial autonomy - Awareness of the importance of independence - Independent appointments - Legal protection for members - Complete access to public data bases - Legal reform - Lack of financial resources - Strengthened mandate (collaboration with other institutions)
COMMUNICATION	<ul style="list-style-type: none"> - Using social media - Apps - Simple report for citizens, citizens participation, infographics - Gaining public trust (quality audits, transparency, public plan/data) - Effective communication strategy - Engage with stakeholders +citizen - Better planning to stay relevant for the public
NOT FALLING BEHIND (DIGITAL TRANSFORMATION)	<ul style="list-style-type: none"> - Awareness of the need to change (within SAI, changing needs of the users) - Benchmarking (standards) - Digital transformation of manpower (new skills, capacity building, motivation, mentorship) - Be more efficient - Leading by example - Auditors must not fall behind

Moderators

Felix Ortega De la Torre, Vitor Caldeira, Osvaldo Rudloff Pulgar,
Åse Kristin Hemsén



Communications. Effective communication means cooperation with all stakeholders. We must use all media that will properly convey the results of our work to the public. To expand communication with society, our reports must be intelligible, public, concise, and clear, including infographics. In doing so, we believe that our work can influence those who spearhead changes, who are responsible for making decisions, in particular for amending the legislation. We must define the boundaries of information disclosure.

“Keeping up.” Auditors need to keep up with the times, which implies:

- acquiring new professional skills (qualifications);
- building capacity (digital transformation);
- motivating the staff.

All of this creates new risks and ethical challenges. All changes must be in line with the Code of Ethics.

Vitor Caldeira presentation video
[timing of the report 1:52:47 – 1:59:36](#)

What is a SAI's role in maintaining and building public trust?

Working group results

Moderators: Yli-Viikari, Martha Meisie Nkai, Rémi Frentz, Jan van Schalkwyk

Speakers: Rémi Frentz, Director of International Relations Department, Cour des comptes of the French Republic; Tytti Yli-Viikari, Auditor General of the Republic of Finland

The first question that was posed to the group in connection with the topic under consideration is public trust. To whom? To all state institutions or people's trust in supreme audit institutions?



Rémi Frentz, Director of International Relations Department, Cour des comptes of the French Republic

The second question: do we really, in each case, regularly see the growing confidence of people in public administration? Our answer is no. We do not

believe that we see greater trust in all cases, because trust must be deserved. Where it is deserved, where administration is organized properly, we see stronger trust. On the contrary, where public administration is ineffective, our role is not to build trust, but to publish real facts and reports which undermine trust in government authorities, while fostering trust in us, supreme audit institutions.

We would like to present three problems and solutions to them.

First of all, let us talk about managing stakeholders' expectations. We see many cases where society does not understand our tasks related to our work, professional judgment, and methodology. The solution to this problem can be communication with society, but not simple one, even using state-of-the-art technical platforms, but a comprehensive cooperation, through which we will also better understand the expectations of society. We already see many examples of SAIs that have started working in cooperation with focus groups and people during the audit process.



Tytti Yli-Viikari, Auditor General of the Republic of Finland

Our second task is to show the further consequences of the audit. What are we doing to drive changes? We have formulated this problem as follows: how to avoid audit reports that do not inspire change? We must find a balance between

the negative and the positive in reports, make recommendations that would really lead to positive changes, push the matter through, track further actions, and publish further results (what happened after our audit)..

What is a SAI's role in maintaining and building public trust?

Topic 4

Key issues

What sort of public trust are we talking about: trust in SAIs (ie, ourselves) or in the state institutions in general?

Do we have to systematically build public trust in state institutions? Is it our function?

What is the scope of our auditing mandate?

How to guarantee the public that our audit performed according to stringent quality standards?

How to guarantee the public that our audit is relevant?

What is the adequate publication policy: publish everything or publish selectively?

How to reach the citizens properly?

How to increase/ensure the ethics within SAIs?

What about risk analysis?

Anything else..?

Key solutions

Both, as it would be seen below.

Not at all. There is an opinion that SAIs belong to a wide "family" of state institutions (government agencies etc.) and it would be "proper" to work on developing public trust in the whole "family". This is quite wrong! SAIs' approach to improving the government is their external point of view as they are separate and independent from the "family", and by being independent. In short: TRUST IS EARNED.

Ideally, being selective – yet comprehensive – depending on citizens' expectations. In practice, regrettably, much still depends on the efficient use of the limited resources available to SAIs..

Publishing the methodology and the criteria of our audits.

Communicating to citizens:
Activity reports
"Open Days" (interested members of the public can visit SAI offices)
Methodology presentation

Regularly published audit results build trust in the SAI, but undermine trust in the government. Selective publications will erode trust in SAIs and might lead to a stronger trust in the government. However, such trust would be artificially inflated and thus short-lived. No, the proper solution is the systematic, all-encompassing, yet properly packaged publication of the results of our audits. As for the plan of audits, it is never published in advance (so as not to interfere with the "surprise factor"), but is always published afterwards for the benefit of the public.

Communication through the filters (that is, the media), communicating through Parliament (in countries where it's relevant).

Adherence to established and published(!) standards, focus on proper planning, equal/merit-based audit coverage.

Publish the criteria and the methodology of risk assessment, but not the results of risk assessment.

It is very important to not only show the problems, but also propose solutions, and then (after some time) publish the results of follow-ups. This is extremely important for the public trust in the SAI.

Moderators

Yli-Viikari, Martha Meisie Nkai, Rémi Frentz, Jan van Schalkwyk



The third problem under discussion is capacity building. How can we become more professional? What new competencies do we need to become a model of a state institution in the eyes of people? We must conduct high-quality audits, then people will trust us.

We also point out problems that have not been solved during the group discussion.

1. Should we publish our annual audit plans at the beginning of each year?
2. Should we publish risk analyses?
3. How to balance good and bad audit reports?

Rémi Frentz and Tytti Yli-Viikari presentation video
[timing of the report 1:59:58 – 2:08:40](#)